

Service Date: March 27, 1997

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER of the Application of)	
WILLIAMS WATER WORKS, for Authority)	UTILITY DIVISION
to Increase Rates and Charges for Water Service)	DOCKET NO. D96.10.175
to its Customers In and Around the)	ORDER NO. 5973
Phillips Addition, Flathead County, Montana)	

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DEFAULT ORDER GRANTING WATER RATE INCREASE APPLICATION

BACKGROUND

1. On October 23, 1996, Williams Water Works (Williams) filed an application with the Montana Public Service Commission (Commission or PSC) for authority to increase rates and charges for water service to its customers in and around the Phillips Addition of Flathead County, Montana. The proposed rate increase would generate approximately \$3,696 in additional annual revenues. Williams computes its revenue requirements for test year 1996 to be \$10,896, compared with revenues at present rates of \$7,200. Rate increase proposal for flat rate is an increase from \$12 per month to \$18 per month and metered commercial customers is an increase from \$12 per month to \$18 per month for the first 10,000 gallons of usage; \$2.00 per each 1,000 gallons used between 10,001 through 20,000 gallons usage; and \$2.35 per 1,000 gallons used after 20,001 plus gallons.

2. On February 20, 1997, the PSC issued a Notice of Opportunity For Public Hearing. This was mailed to the 47 customers that Williams provides service to and the Montana Consumer Counsel (MCC). A provision in that notice stated, "If no hearing is requested by March 10, 1997, no hearing will be held and an appropriate order may be issued based upon evidence submitted with the Application."

3. The PSC has received no protest or request for hearing.

Having considered the application and the supporting documentation and deeming itself fully advised in the premises, the Commission makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

4. Williams Water Works needs additional revenue to defray increased costs of water testing, electricity and operations. They also need additional revenue to replace pipes, valves and a pump to maintain and repair the existing facilities.

5. The proposed rates will increase annual revenues by approximately \$3,696, or an increase of 51.3 percent in the total annual revenues.

CONCLUSIONS OF LAW

1. The Applicant, Williams Water Works, is a public utility as defined in §69-3-101, MCA. The Montana Public Service Commission properly exercises jurisdiction over the Applicant's rates. Title 69, MCA.

2. The Commission has provided adequate public notice and an opportunity to be heard as required by §69-3-303, MCA, and Title 2, Chapter 4, MCA.

3. The rates and rate structure approved in this order are just and reasonable. §69-3-201 and 69-3-330, MCA.

ORDER

1. The rates as filed by Williams Water Works with its application are authorized.

2. These rates shall be effective for services rendered on and after March 24, 1997.

DONE IN OPEN SESSION at Helena, Montana on this 24th day of March, 1997, by a 5 to 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

DAVE FISHER, Chairman

NANCY McCAFFREE, Vice Chair

BOB ANDERSON, Commissioner

DANNY OBERG, Commissioner

BOB ROWE, Commissioner

ATTEST:

Ann Purcell
Acting Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.